

ND STATE INVESTMENT BOARD

State Investment Board Balance Sheet As of 6/30/2008

| | As of <u>6-30-08</u> | As of <u>6-30-07</u> |
|---|-----------------------------|-----------------------------|
| ASSETS: | | |
| INVESTMENTS (AT MARKET) | | |
| DOMESTIC EQUITIES | \$ 1,603,374,536 | \$ 1,845,998,567 |
| INTERNATIONAL EQUITIES | 751,763,915 | 944,760,297 |
| DOMESTIC FIXED INCOME | 2,116,937,618 | 1,973,499,969 |
| INTERNATIONAL FIXED INCOME | 193,480,800 | 179,265,016 |
| REAL ESTATE | 433,101,768 | 417,638,876 |
| ALTERNATIVE INVESTMENTS | 203,274,502 | 173,508,671 |
| INVESTED CASH (NOTE 1) | <u>82,143,865</u> | <u>84,933,966</u> |
| TOTAL INVESTMENTS | 5,384,077,004 | 5,619,605,362 |
| RECEIVABLES | | |
| DIVIDEND/INTEREST RECEIVABLE | 22,250,638 | 23,668,244 |
| MISCELLANEOUS RECEIVABLE | <u>7,894</u> | <u>6,342</u> |
| TOTAL RECEIVABLES | 22,258,532 | 23,674,586 |
| OTHER ASSETS | | |
| INVESTED SECURITIES LENDING COLLATERAL (NOTE 2) | 193,890,417 | 584,981,829 |
| OPERATING CASH | <u>110,297</u> | <u>135,973</u> |
| TOTAL ASSETS | <u>\$ 5,600,336,250</u> | <u>\$ 6,228,397,750</u> |
| LIABILITIES: | | |
| SECURITIES LENDING COLLATERAL (NOTE 2) | 193,890,417 | 584,981,829 |
| ACCOUNTS PAYABLE | 34,863 | 28,355 |
| ACCRUED EXPENSES | 56,242 | 57,036 |
| INVESTMENT EXPENSE PAYABLE | <u>6,781,460</u> | <u>7,719,498</u> |
| TOTAL LIABILITIES | 200,762,982 | 592,786,718 |
| NET ASSETS AVAILABLE: | | |
| NET ASSETS AVAILABLE BEGIN OF YEAR | 5,635,611,032 | 4,906,063,024 |
| CASH IN DURING YEAR (NOTE 3) | 365,048,641 | 198,780,109 |
| CASH OUT DURING YEAR (NOTE 4) | 353,400,350 | 301,026,903 |
| NET INCREASE (DECREASE) | <u>(247,686,055)</u> | <u>831,794,802</u> |
| NET ASSETS AVAILABLE END OF PERIOD | <u>5,399,573,268</u> | <u>5,635,611,032</u> |
| TOTAL LIABILITIES & NET ASSETS AVAILABLE | <u>\$ 5,600,336,250</u> | <u>\$ 6,228,397,750</u> |

ND STATE INVESTMENT BOARD

State Investment Board Profit and Loss Statement For the Month Ended 6/30/2008

| | Month Ended <u>6-30-08</u> | <u>Year-to-Date</u> |
|--------------------------------------|-------------------------------|-----------------------------|
| ADDITIONS: | | |
| INVESTMENT INCOME | | |
| INTEREST/DIVIDEND INCOME | \$ 15,551,181 | \$ 165,043,886 |
| SECURITIES LENDING INCOME | 463,056 | 14,948,467 |
| | <u>16,014,237</u> | <u>179,992,353</u> |
| GAIN ON SALE OF INVESTMENTS | 48,024,717 | 649,446,045 |
| LOSS ON SALE OF INVESTMENTS | <u>50,876,149</u> | <u>569,057,716</u> |
| NET GAINS (LOSSES) INVESTMENTS | (2,851,432) | 80,388,329 |
| INVESTMENT EXPENSES | 1,834,042 | 28,747,505 |
| SECURITIES LENDING EXPENSES | 255,454 | 13,375,735 |
| NET INVESTMENT INCOME | 11,073,309 | 218,257,442 |
| NET APPREC (DEPREC) MARKET VALUE | (226,932,820) | (461,304,595) |
| MISCELLANEOUS INCOME/(EXPENSE) | <u>(669,475)</u> | <u>(4,121,475)</u> |
| TOTAL INVESTMENT INCOME | <u>(216,528,986)</u> | <u>(247,168,628)</u> |
| DEDUCTIONS: | | |
| ADMINISTRATIVE EXPENSES | 66,987 | 517,427 |
| NET INCREASE (DECREASE) | <u>\$ (216,595,973)</u> | <u>\$ (247,686,055)</u> |

ND STATE INVESTMENT BOARD
Notes To Financial Statements
June 30, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.